10% of the balance cost of the project. For weaker sections margin money is given at the rate of 30% of the project cost upto Rs. 10 lakhs and for the balance amount (upto Rs. 25 lakh) it is 10%. Under this programme, all individuals/firms/societies/Limited companies are eligible to set up units subject to an investment ceiling of Rs. 25 lakhs. This scheme is being implemented through Public Sector Banks, Regional Rural Banks and on a selective basis through Co-operative Banks and Private Sector Scheduled Commercial Banks etc.

The Government has also decided to continue the REGP during the 10th Plan period *i.e.* upto 31.3.2007.

Moreover, for the promotion and development of KVI Industries sector, a special package was announced by the Government on 14.5.2001, which is under different phases of implementation. The Package *inter-alia* provides for Insurance cover to Khadi artisans, option between rebate and Market Development Assistance (MDA) creation of packaging and design facilities, measurs to promote marketing, brand building and cluster development, technology upgradation, quality control, marketing through publicity and advertisement etc.

(c) The KVIC takes steps for identifying clusters of rural Industrial activities/artisans in order to develop and promote them by extending various common facilities services. This approach of identification and extending assistance for promotion and development of rural industrial/ artisan clusters is known as Cluster Development Programme.

(d) In Andhra Pradesh State, "Srikakulam" has been identified as a cluster of 'Panduru Khadi' and the Gram Swarajya Sangham, Srikakulam has been identified as nodal agency for this purpose. Rs. 3.80 lakhs was sanctioned for this cluster, of which Rs. 0.72 lakh has already been released. Further, with UNDP support steps have been taken to support hand made paper units in Mehboobnagar District. Equipments for Common Facilities valuing Rs. 9 lakhs have been installed at premises of Khadi and Village Industries Trust, Mehboobnagar since May 2002.

Structural Reforms in Agro Industries

1653. SHRI SURESH PACHOURI: Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) the present status of rural and agro industries;

(b) to what extent the structural reforms initiated in 1991 have affected growth of the agro and rural industries;

(c) whether the reforms have strengthened these industries;

(d) if so, in what manner; and

(e) the steps taken by Government to improve performanc of these industries?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI KARIYA MUNDA): (a) to (d) A Statement indicating the projects financed under the Rural Employment Generation Programme (REGP) of the KVIC to set up rural industries including agro industries and the consequent generation of employment opportunities as on 31.3.2002 is enclosed (*See* below).

Under this Scheme, 14.42 lakhs jobs have been created and 1,40,481 projects (provisional) have been financed upto 31.3.2002. The production in the Khadi and Village Industries Sector during last three years is as under :—

Year	Rs. in lakhs
1999-2000	616534.51
2000-2001	692326.35
2001-2002	755152.25

The structural reforms initiated in 1991 have not made any adverse effect on agro and rural industries under the Khadi and Village Industries Commission (KVIC). On the other hand this sector recorded its growth in terms of employment generation, which has increased from 50.16 lakhs in 1991-92 to 62.64 lakhs in 2001-02.

(e) The Rural Employment Generation Programme (REGP) has been launched by dovetailing village industries projects with bank finance. consequent to this, the flow of Bank credit to rural industries projects has considerably increased since 1995-96. Further for the overall benefits of this sector, the Government of India has announced a special package, which *inter-alia* includes technological inputs, product designing, marketing support etc.

Statement

State-wise project financed and employment as on 31.03.2002 (provisional) under REGP

Sl. No.	States/Union Territories	Projects financed	Employment *(persons in lakhs)*
1	2	3	4
1.	Andhra Pradesh	9955	1.37
2.	Arunachal Pradesh	317	0.03
3.	Assam	425	0.07
4.	Bihar	529	0.04
5.	Goa	1931	0.15
6.	Gujarat	682	0.04
7.	Haryana	3509	0.54
8.	Himachal Pradesh	1068	0.19
9.	Jammu & Kashmir	5754	0.41
10.	Karnataka	10326	0.85
11.	Kerala	5592	0.62
12.	Madhya Pradesh	16779	1.44
13.	Maharashtra	16805	1.42
14.	Manipur	623	0.11
15.	Meghalaya	2784	0.20
16.	Mizoram	732	0.08
17.	Nagaland	4665	0.94
18.	Orissa	1467	0.14
19.	Punjab	7363	0.72
20.	Rajasthan	20365	1.87
21.	Sikkim	18	*
22.	Tamil Nadu	3484	0.31
23.	Tripura	48	0.05
24.	Uttar Pradesh	11704	1.70
25.	West Bengal	11416	0.83

1	2	3	4
26.	Andaman & Nicobar	162	*
27.	Chandigarh	139	0.01
28.	Dadra & Nagar Haveli	8	*
29.	Delhi	203	0.03
30.	Lakshadweep	01	*
31.	Pondicherry	899	0.11
32.	Chhattisgarh	197	0.08
33.	Jharkhand	218	0.01
34.	Uttaranchal	313	0.06
	TOTAL:	140481	14.42

* Less than 500.

Economic package for Cottage Industries

1654. PROF. M. M. AGARWAL: Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether Government have any effective action plan or economic package for promotion and development of cottage and small scale industries in different parts of the country;

(b) if so, the details thereof;

(c) the present status of such industries; and

(d) what is Government's reaction thereto?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI KARIYA MUNDA):(a) Yes, Sir.

(b) For the promotion and development of Khadi and Village Industries sector, a special package was announced by the Government on 14.5.2001, which is under different phases of implementation. The package *inter-alia* provides for Insurance cover to Khadi artisans, option between rebate and Market Development Assistance (MDA), creation of packaging and design facilities, measures to promote marketing, brand building and cluster development, technology upgradation, quality control, marketing through publicity and advertisement etc.

(c) A Statement indicating the projects financed under the rural Employment Generation Programme (REGP) of the KVIC to set up rural